
FISCAL UPDATE Article

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

END OF SESSION – HF 2321 – UNEMPLOYMENT COMPENSATION, WORKFORCE DEVELOPMENT DEPARTMENT

Description. [House File 2321](#) specifies that the Iowa Department of Workforce Development (IWD) will pay the actual cost of criminal history checks and that an applicant for employment with the IWD and employees of the IWD will be subject to a possible national criminal history check through the Federal Bureau of Investigation at the discretion of the IWD.

The Act provides that a reduction in unemployment benefits due to pension payments received will only occur if the claimant's base period employer has made 100.0% of the contributions to the pension plan. The Act further provides that vacation pay paid out to an employee will only be considered wages for purposes of unemployment benefits for a maximum of five workdays.

Fiscal Impact. Criminal history checks will result in FY 2019 expenditures totaling an estimated \$1,750 (\$250 for supplies and \$1,500 for criminal history checks) and \$500 each subsequent year for criminal history checks paid from the Unemployment Insurance Federal Base Grant in the Integrity Bureau.

The changes related to pension and vacation pay deductibility will permit the IWD to reallocate an estimated 2.9 Workforce Advisor full-time equivalent (FTE) positions and \$150,000 in salary expenses paid from the Unemployment Insurance Federal Base Grant in the Benefits Bureau.

Enactment Date. This Act was approved by the General Assembly on March 28, 2017, and signed by the Governor on April 4, 2018.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

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